

217320



**Kirkpatrick & Lockhart Nicholson Graham LLP**

1601 K Street, N.W.  
Washington, DC 20006-1600  
202.778.9000  
Fax 202.778.9100  
www.klmg.com

August 18, 2006

**Via Hand-Delivery**

The Honorable Vernon A. Williams  
Secretary  
Surface Transportation Board  
1925 K Street, NW  
Washington, DC 20423

**ENTERED  
Office of Proceedings**

**AUG 18 2006**

**Part of  
Public Record**

Edward J. Fishman  
202.778.9456  
Fax: 202.778.9100  
efishman@klmg.com



**Re: Finance Docket No. 34912, Chattahoochee Bay Railroad, Inc. – Acquisition and Operation Exemption – Certain Assets of H&S Railroad Company, Inc. and Chattahoochee & Gulf Railroad Co., Inc.**

**Finance Docket No. 34913, Genesee & Wyoming Inc. – Continuance in Control Exemption – Chattahoochee Bay Railroad, Inc.**

Dear Secretary Williams:

Enclosed for filing in the above-captioned proceedings are an original and ten copies of the following submissions: (i) a **Notice of Exemption** filed by Chattahoochee Bay Railroad, Inc. (“CBRR”) under 49 C.F.R. § 1150.31; and (ii) a **Petition for Exemption** filed by Genesee & Wyoming Inc. (“GWI”) under 49 U.S.C. § 10502 to continue in control of CBRR. A check in the amount of \$9,400 to cover the applicable filing fees for these submissions is enclosed. We also have enclosed, pursuant to 49 C.F.R. § 1180.6(a)(6), twenty (20) additional copies of the maps attached to the Petition for Exemption as Exhibits 1 and 2.

GWI respectfully requests **expedited consideration** of its Petition for Exemption.

Please contact me if you have any questions regarding these filings. Thank you.

Respectfully submitted,

Edward J. Fishman  
Attorney for Genesee & Wyoming Inc. and  
Chattahoochee Bay Railroad, Inc.

**FILED**

**AUG 18 2006**

**SURFACE  
TRANSPORTATION BOARD**

**FEE RECEIVED**

**AUG 18 2006**

**SURFACE  
TRANSPORTATION BOARD**

217320

BEFORE THE  
SURFACE TRANSPORTATION BOARD

FINANCE DOCKET NO. 34912



CHATTAHOOCHEE BAY RAILROAD, INC.  
- ACQUISITION AND OPERATION EXEMPTION -  
CERTAIN ASSETS OF H&S RAILROAD COMPANY, INC. AND  
CHATTAHOOCHEE & GULF RAILROAD CO., INC.

VERIFIED NOTICE OF EXEMPTION  
PURSUANT TO 49 CFR § 1150.32

ENTERED  
Office of Proceedings

AUG 18 2006

Part of  
Public Record

Kevin M. Sheys  
Edward J. Fishman  
Janie Sheng  
Kirkpatrick & Lockhart  
Nicholson Graham LLP  
1601 K Street, NW  
Washington, D.C. 20006  
(202) 778-9000

ATTORNEYS FOR  
CHATTAHOOCHEE BAY RAILROAD, INC.

Dated: August 18, 2006

**FILED**

AUG 18 2006

SURFACE  
TRANSPORTATION BOARD

**FEE RECEIVED**

AUG 18 2006

SURFACE  
TRANSPORTATION BOARD

BEFORE THE  
SURFACE TRANSPORTATION BOARD

---

FINANCE DOCKET NO. 34912

---

CHATTAHOOCHEE BAY RAILROAD, INC.  
– ACQUISITION AND OPERATION EXEMPTION –  
CERTAIN ASSETS OF H&S RAILROAD COMPANY, INC. AND  
CHATTAHOOCHEE & GULF RAILROAD CO., INC.

---

VERIFIED NOTICE OF EXEMPTION  
PURSUANT TO 49 CFR § 1150.32

---

Pursuant to 49 CFR § 1150.31 et seq., Chattahoochee Bay Railroad, Inc. (“CBRR”) hereby files this Notice of Exemption to acquire and operate certain rail assets of the H&S Railroad Company, Inc. (“H&S”) and the Chattahoochee & Gulf Railroad Co., Inc. (“CHAT”), both Class III rail carriers.<sup>1</sup> CBRR is a Delaware corporation and a non-carrier subsidiary of Genessee & Wyoming Inc. (“GWI”).<sup>2</sup>

Pursuant to an Asset Purchase Agreement entered into by and among CBRR, CHAT and H&S, CBRR will acquire: (i) the approximately 24.2 route miles of rail line owned and operated by CHAT extending from approximately milepost 382.0, at or near Dothan, in Houston County, AL through Henry County, AL to approximately milepost 357.8, at or near Hilton, in Early

---

<sup>1</sup> H&S is owned and controlled by H. Peter Claussen and Linda C. Claussen (the “Claussens”). CHAT is owned and controlled by the Gulf & Ohio Railways Holding Co., Inc., which is owned by the Claussens.

<sup>2</sup> Simultaneously herewith, in Finance Docket No. 34913, GWI is filing a petition for exemption to continue in control of CBRR upon CBRR’s consummation of the transaction described herein.



County, GA (the “CHAT Line”)<sup>3</sup>; and (ii) H&S’s exclusive freight rail easement over an approximately 4-mile line of railroad between approximately milepost 382 at Dothan, AL and approximately milepost 386 at Taylor, AL in Houston County, AL (“the “H&S Line”).<sup>4</sup> The CHAT Line and the H&S Line physically connect at Dothan, AL and CBRR will operate them as one continuous rail line. The total distance of the CHAT Line and H&S Line to be acquired and operated by CBRR (collectively, the “Subject Lines”) is approximately 28 route miles. CBRR also will acquire CHAT’s incidental trackage rights over approximately 2.8 miles of the Central of Georgia Railroad Company line of railroad between approximately milepost 357.8 and approximately milepost 355 in the vicinity of Hilton, GA for the purpose of interchange with the Chattahoochee Industrial Railroad.<sup>5</sup> The Subject Lines and the CHAT overhead trackage rights to be acquired by CBRR are referred to collectively herein as the “Rail Assets.”

In accordance with the requirements of 49 C.F.R. § 1150.33, CBRR submits the following information:

**Advance Notice:**

**49 C.F.R. § 1150.32(e)**

CBRR’s projected annual revenue will not exceed \$5 million.

---

<sup>3</sup> CHAT acquired this rail line from Central of Georgia Railroad Company. See Chattahoochee & Gulf Railroad Co., Inc. – Acquisition and Operation Exemption – Line of Central of Georgia Railroad Company, STB Finance Docket No. 34298 (STB served Mar. 26, 2003).

<sup>4</sup> H&S acquired its interests in this rail line from Hartford and Slocomb Railroad Company. See H&S Railroad Co., Inc. – Acquisition, Operation, and Trackage Rights Exemption – Lines of Hartford and Slocomb Railroad Co., ICC Finance Docket No. 32089 (ICC served Jul. 22, 1992).

<sup>5</sup> CBRR also will acquire by assignment the interests of both H&S and CHAT in an agreement that gives H&S trackage rights over the CHAT Line between approximately milepost 382 and approximately milepost 378.88 in the vicinity of Dothan, AL for the purpose of interchanging with CHAT. CBRR’s acquisition of these merging interests and operation of the H&S Line and CHAT Line as one property will cause that trackage rights agreement to be extinguished by operation of law.

**Name and Address of Applicant:** 49 C.F.R. § 1150.33(a)

Chattahoochee Bay Railroad, Inc.  
c/o Genessee & Wyoming Inc.  
60 Field Point Road  
Greenwich, CT 06830

**Applicant's Representative:** 49 C.F.R. § 1150.33(b)

CBRR's representative to whom correspondence regarding this transaction should be addressed is as follows:

Kevin M. Sheys  
Kirkpatrick & Lockhart Nicholson Graham LLP  
1601 K Street, NW  
Washington, DC 20006  
(202) 778-9000

**Statement Concerning Agreement:** 49 C.F.R. § 1150.33(c)

CBRR, CHAT and H&S have entered into an Asset Purchase Agreement providing for CBRR's acquisition of the Rail Assets.

**Operation of the Property:** 49 C.F.R. § 1150.33(d)

CBRR will operate the Rail Assets after acquiring them from CHAT and H&S.

**Summary of the Transaction:** 49 C.F.R. § 1150.33(e)

Pursuant to the Asset Purchase Agreement, CBRR intends to acquire the following Rail Assets: (i) the approximately 24.2 route miles of rail line owned and operated by CHAT extending from approximately milepost 382.0, at or near Dothan, in Houston County, AL through Henry County, AL to approximately milepost 357.8, at or near Hilton, in Early County, GA; (ii) CHAT's overhead trackage rights over approximately 2.8 miles of the Central of Georgia Railroad Company line of railroad between approximately milepost 357.8 and approximately milepost 355 in the vicinity of Hilton, GA for the purpose of interchange with the Chattahoochee Industrial Railroad; and (iii) H&S's exclusive freight rail easement over an

approximately 4-mile line of railroad between approximately milepost 382 at Dothan, AL and approximately milepost 386 at Taylor, AL.<sup>6</sup>

This transaction is expected to be consummated seven (7) days after this Notice of Exemption becomes effective or shortly thereafter. CBRR will operate the CHAT Line and the H&S Line, which physically connect at Dothan, AL, as one continuous property. CBRR will use the incidental overhead trackage rights it acquires from CHAT over the Central of Georgia Railroad Company line of railroad for the purpose of interchanging with the Chattahoochee Industrial Railroad.

The names and addresses of the entities transferring the Rail Assets to CBRR are as follows:

Chattahoochee & Gulf Railroad Co., Inc.  
c/o Gulf & Ohio Railways Holding Co., Inc.  
401 Henley Street, Suite 5  
Knoxville, TN 37902

H&S Railroad Company, Inc.  
c/o H. Peter Claussen and Linda C. Claussen  
401 Henley Street, Suite 5  
Knoxville, TN 37902

**Map:** **49 C.F.R. § 1150.33(f)**

A map indicating the area served by the Rail Assets is attached as Exhibit A to this Notice.

**Certification of Class III Status:** **49 C.F.R. § 1150.33(g)**

A certificate complying with the provisions of 49 C.F.R. § 1150.33(g) is attached as Exhibit B to the Notice. Based on projected revenues from operation of the Rail Assets, CBRR will not exceed the Class III revenue threshold.

---

<sup>6</sup> As noted above, CBRR also will acquire H&S' incidental trackage rights over the CHAT Line but will not use those rights (which will be extinguished by operation of law) because it will operate the H&S Line and the CHAT Line as one property.

**Environmental/Historic Preservation Data: 49 C.F.R. Part 1105**

Under 49 C.F.R. § 1105.6(c)(2)(i), the proposed acquisition and operation of the Rail Assets by CBRR is exempt from environmental reporting requirements because it will not result in significant changes in carrier operations (i.e., changes which exceed the thresholds established in 49 C.F.R. § 1105.7(e)(4) or (5)).

Under 49 C.F.R. § 1105.8(b)(1), the proposed acquisition and operation of the Rail Assets by CBRR also is exempt from historic preservation reporting requirements. CBRR's acquisition of the Rail Assets is for the purpose of continued rail operations. Further Surface Transportation Board approval is required to abandon any service, and there are no plans to dispose of or alter properties subject to Board jurisdiction that are fifty years old or older.

**Caption Summary:**

**49 C.F.R. § 1150.34**

A caption summary in the appropriate form is attached as Exhibit C to the Notice.

Respectfully submitted,



Kevin M. Sheyn

Edward J. Fishman

Janie Sheng

Kirkpatrick & Lockhart

Nicholson Graham LLP

1601 K Street, NW

Washington, DC 20006

(202) 778-9000

**ATTORNEYS FOR  
CHATTAHOOCHEE BAY  
RAILROAD, INC.**

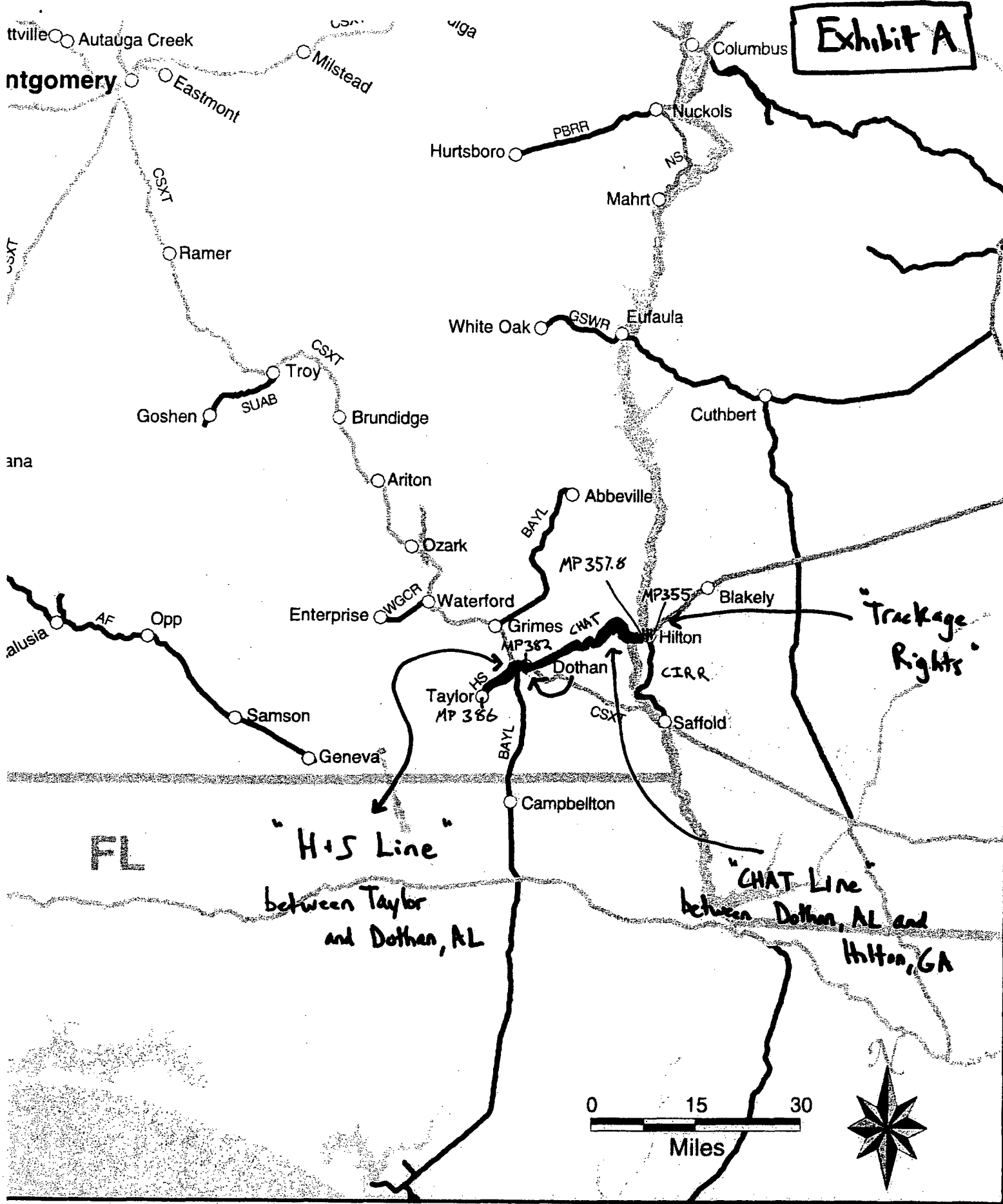
Dated: August 18, 2006

**EXHIBIT A**

**MAPS OF RAIL ASSETS**



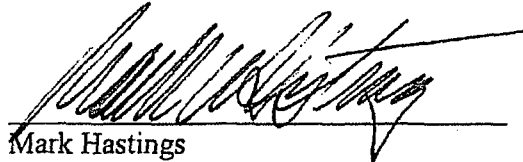
Exhibit A



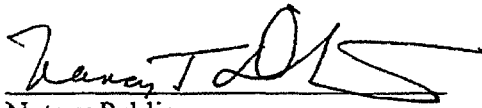
**EXHIBIT B**

**CERTIFICATION**

Mark Hastings, being duly sworn, certifies that the projected freight rail revenues of  
Chattahoochee Bay Railroad, Inc. upon consummation of the proposed transaction will not result  
in the creation of a Class I or Class II rail carrier under the provisions of 49 C.F.R. § 1201(1-1)

  
Mark Hastings

SUBSCRIBED AND SWORN TO  
Before me this 20<sup>th</sup> day  
of July 2006

  
Notary Public

My Commission expires:

**NANCY T. DiBATTISTA**  
**NOTARY PUBLIC**  
MY COMMISSION EXPIRES JUNE 30, 2007

**SURFACE TRANSPORTATION BOARD**

**NOTICE OF EXEMPTION**

---

**FINANCE DOCKET NO. 34912**

**CHATTAHOOCHEE BAY RAILROAD, INC.  
-- ACQUISITION AND OPERATION EXEMPTION --  
CERTAIN ASSETS OF H&S RAILROAD COMPANY, INC. AND  
CHATTAHOOCHEE & GULF RAILROAD CO., INC.**

---

Chattahoochee Bay Railroad, Inc. ("CBRR"), a non-carrier, has filed a Verified Notice of Exemption to acquire and operate certain rail assets of the H&S Railroad Company, Inc. ("H&S") and the Chattahoochee & Gulf Railroad Co., Inc. ("CHAT"). Pursuant to an Asset Purchase Agreement entered into by and among CBRR, CHAT and H&S, CBRR will acquire: (i) the approximately 24.2 route miles of rail line owned and operated by CHAT extending from approximately milepost 382.0, at or near Dothan, in Houston County, AL through Henry County, AL to approximately milepost 357.8, at or near Hilton, in Early County, GA (the "CHAT Line") and (ii) H&S's exclusive freight rail easement over an approximately 4-mile line of railroad between approximately milepost 382 at Dothan, AL and approximately milepost 386 at Taylor, AL in Houston County, AL (the "H&S Line"). CBRR also will acquire CHAT's incidental overhead trackage rights over 2.8 miles of the Central of Georgia Railroad Company line of railroad between approximately milepost 357.8 and approximately milepost 355 in the vicinity of Hilton, GA for the purpose of interchange with the Chattahoochee Industrial Railroad. The total distance of the CHAT Line and the H&S Line to be acquired by CBRR is approximately 28 route miles.

Comments must be filed with the Board and served on Kevin M. Sheys, Kirkpatrick & Lockhart Nicholson Graham LLP, 1601 K Street, NW, Washington, DC 20006; (202) 778-9000.

This notice is filed under 49 C.F.R. § 1150.31. If the notice contains false or misleading information, the exemption is void ab initio. Petitions to revoke the exemption under 49 U.S.C. § 10505(d) may be filed at any time. The filing of the petition to revoke will not automatically stay the transaction.

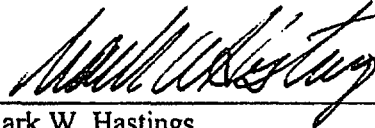
Date: \_\_\_\_\_, 2006

By the Board

Vernon A. Williams – Secretary

# VERIFICATION

I, Mark W. Hastings, certify under penalty of perjury that the foregoing is true and correct to the best of my knowledge, information and belief. Further, I certify that I am qualified and authorized to cause the foregoing document to be filed.

A handwritten signature in black ink, appearing to read 'Mark W. Hastings', is written over a horizontal line.

Mark W. Hastings  
Chattahoochee Bay Railroad, Inc.

Dated: August 18, 2006